

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

WILLARD L. SLOAN, EUGENE J.
WINNINGHAM, and JAMES L. KELLEY,
on behalf of themselves and a similarly
situated class,

Plaintiffs,

Case No. 09-cv-10918
Hon. Paul D. Borman
Magistrate Mona K. Majzoub

v.

Class Action

BORGWARNER, INC., BORGWARNER
FLEXIBLE BENEFITS PLANS and
BORGWARNER DIVERSIFIED
TRANSMISSION PRODUCTS, INC.,

Defendants.

EXHIBIT 7

TO

**PLAINTIFFS' MOTION
FOR SUMMARY JUDGMENT
AS TO LIABILITY**

Turczynowsky, George (Corp HQ)

From: Turczynowsky, George (Corp HQ)
Sent: Monday, November 01, 2004 12:39 PM
To: Jerome P 390 Arquette (E-mail)
Cc: Perry, Nancy (Corp HQ); Paxson, Pamela (Corp HQ); Bowles, Laura (Muncie)
Subject: FW:2005 Muncie Hourly Deductibles/Stop-Loss (# 72973)

Follow Up Flag: Follow up
Flag Status: Flagged

Jerry -

Please consider this your authorization to adjust Deductibles and Stop-Loss amounts for active employees and certain retirees in accordance with the attached grids effective 1/1/05. Also, note Laura's comment Re: preventive care under MOA2M that should be payable at 80%.

Thanks,
George Turczynowsky
Director, Benefits
BorgWarner Inc.

-----Original Message-----

From: Bowles, Laura (Muncie)
Sent: Wednesday, October 20, 2004 1:17 PM
To: Turczynowsky, George (Corp HQ); Perry, Nancy (Corp HQ)
Cc: Banton, Bill (Muncie); Stair, Connie (Muncie)
Subject: 05 Hourly Deductibles

George,
Here is the updated spreadsheet for 2005 changes to the original hourly plans. MPPO7 should also have the same deductible changes as MPPO1. Also, please note that under MOA2M the preventive care is 80%. It was wrong on the spreadsheet from 04.

Let me know if you have questions.

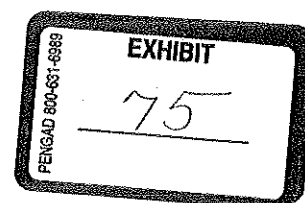
Thanks,
Laura



2002 Health Plan
Info.xls

Laura Bowles
(765) 286-6286

"The information contained in this message may be privileged and confidential and protected from disclosure. If the reader of this message is not the intended recipient, or an employee or agent responsible for delivering this message to the intended recipient, you are hereby notified that any dissemination, distribution, or copying of this communication or use of the information contained herein is strictly prohibited. If you have received this communication in error, please notify the sender immediately by replying to the message and delete the message from your computer."



2005 MUNCIE HOURLY HEALTH PLANS 72973 (Effective 1/1/2005)

	Active MPPO1 Live In-Area ⁶	Active MOOA1 Live Out-of-Area ⁶	Pre-Medicare MPPO2	Pre-Medicare MPPO3
Date of Eligibility	Hired before 3/12/01	Hired before 3/12/01	Retired before 10/1/86 Retired before 12/1/89	Retired between 12/1/89 - 12/31/92
Deductible				
In-Network	\$235 ind/\$705 fam	\$235 ind/\$705 fam	\$125/person	\$200/person
Out-of-Network ²	\$470 ind/\$1410 fam	N/A	N/A	N/A
Stop Loss				
In-Network	\$1132 ind/\$2264 fam	\$1132 ind/\$2264 fam	\$300 ind/\$600 fam	\$600 ind/\$1200 fam
Out-of-Network ²	\$2264 ind/\$4528 fam	N/A	N/A	N/A
In-Patient Hospital				
In-Network	90%	90%	90%	90%
Out-of-Network ²	80%	N/A	N/A	N/A
Outpatient/Surgery/X-Ray/Lab				
In-Network	100%	100%	100%	100%
Out-of-Network ²	80%	N/A	N/A	N/A
Misc. Major Medical¹				
In-Network	80%	80%	80%	80%
Out-of-Network ²	70%	N/A	N/A	N/A
Primary Care⁵	90%	N/A	90% ⁷	90% ⁷
Preventive (Wellness)	100% In-network only	N/A	N/A	N/A
Prescription				
Retail (Generic/Brand)	\$7/\$12	\$7/\$12	\$2/\$3* \$2/\$4**	\$4/\$7
Mail Order (Generic/Brand)	\$5/\$7	\$5/\$7	\$2/\$2*	\$2/\$2
INTRACORP	Yes	Yes	Yes	Yes
EAP	Yes	Yes	Yes	Yes
Dental/Vision/Hearing	All ⁴	All ⁴	Vision Only ⁴	Vision Only ⁴
1. After deductible is satisfied (Misc. Major Medical = PT-Retiree Only, Ambulance/Base, then Maj. Med., Medical Supplies, Oxygen, Podiatrist, Private Duty Nurse, Chiropractic, and Office visits).				
2. Out-of-Network disincentives apply to MD's specialist and hospitals on part of Selected Circle				
3. No PPO benefits or disincentives apply to Medicare participants - BR 70.71, or 72				
4. Benefits same as those benefits prior to 1/1/93				
5. After deductible: - Office visits for PCP paid at 90%. - PCP includes family practitioners, internists, pediatrics and OB/GYN (in-network only). - All other services (X-ray, lab, surter) in PCP office paid at 100%				
6. Deductibles/Stop-loss indexed 5% each year through 2006 for in/out of network.				
7. Primary Care Benefit ceases when ee becomes eligible for Medicare.				
* \$3 Brand/\$2 Generic and \$2 Mail Order applies to retirees prior to 10/1/86				
** \$4 Brand/\$2 Generic and \$2 Mail Order applies to retirees after 10/1/86 and before 12/1/89				

DTP012939

2005 MUNCIE HOURLY HEALTH PLANS 72973 (Effective 1/1/2005)

	Medicare MIND1 ³	Medicare MIND2 ³	Pre-Medicare MPPO4	Medicare MOA2M	Pre-Medicare Live Out-of-Area MOA2
Date of Eligibility	Retired before 10/1/86 Retired before 12/1/89 - 12/31/92	Retired between 12/1/89 - 12/31/92	Retired after 1/1/93 ⁶	Retired after 1/1/93 ⁶	Retired after 1/1/93 ⁶
Deductible					
In-Network	\$125/person	\$200/person	\$235 ind/\$705 fam	\$235 ind/\$705 fam	\$235 ind/\$705 fam
Out-of-Network ²	N/A	N/A	\$470 ind/\$1410 fam	\$470 ind/\$1410 fam	N/A
Stop Loss					
In-Network	\$175 ind/\$350 fam	\$450 ind/\$900 fam	\$1132 ind/\$2264 fam	\$1132 ind/\$2264 fam	\$1132 ind/\$2264 fam
Out-of-Network ²	N/A	N/A	\$2264 ind/\$4528 fam	\$2264 ind/\$4528 fam	N/A
In-Patient Hospital					
In-Network	90%	90%	90%	90%	90%
Out-of-Network ²	N/A	N/A	80%	80%	N/A
Outpatient/Surgery/X-Ray/Lab					
In-Network	100%	100%	100%	100%	100%
Out-of-Network ²	N/A	N/A	80%	80%	N/A
Misc. Major Medical¹					
In-Network	80%	80%	80%	80%	80%
Out-of-Network ²	N/A	N/A	70%	70%	N/A
Primary Care⁵	N/A	N/A	90% ⁷	80% ⁷	90% ⁷
Preventive (Wellness)	N/A	N/A	100%	100%	100%
Prescription					
Retail (Generic/Brand)	\$2/\$3* \$2/\$4**	\$4/\$7	\$7/\$12	\$7/\$12	\$7/\$12
Mail Order (Generic/Brand)	\$2/\$2**	\$2/\$2	\$3/\$4	\$3/\$4	\$3/\$4
INTRACORP	N/A	N/A	Yes	N/A	Yes - Pre-Med Only
EAP	Yes	Yes	Yes	Yes	Yes
Dental/Vision/Hearing	Vision Only ⁴	Vision Only ⁴	Vision Only ⁴	Vision Only ⁴	Vision Only ⁴
1. After deductible is satisfied (Misc. Major Medical = PT-Retiree Only, Ambulance/Base, then Maj. Med., Medical Supplies, Oxygen, Podiatrist, Private Duty Nurse, Chiropractic, and Office eVisits).					
2. Out-of-Network disincentives apply to MD's specialist and hospitals out part of Select Circle					
3. No PPO benefits or disincentives apply to Medicare participants - BR 70.71, or 72					
4. Benefits same as those benefits prior to 1/1/93					
5. After deductible: - Office visits for PCP paid at 90%, - PCP includes family practitioners, internists, pediatrics and OB/GYN (in-network only), - All other services (X-ray, lab, surgery) in PCP office paid at 100%					
6. Deductibles/Stop-loss indexed 5% each year through 2006 for in/out of network.					
7. Primary Care Benefit ceases when ee becomes eligible for Medicare.					
* \$3 Brand/\$2 Generic and \$2 Mail Order applies to retirees prior to 10/1/86					
** \$4 Abrand/\$2 Generic and \$2 Mail Order applies to retirees after 10/1/86 and before 12/1/89					
					DTP012940

2004 MUNCIE HOURLY HEALTH PLANS 72973 (Effective 1/1/2004)

	Active BR 001 Live In-Area ⁶	Active BR 001 Live Out-of-Area ⁶	Pre-Medicare BR 65	Pre-Medicare BR 66
Date of Eligibility				
Deductible	Hired before 3/12/01	Hired before 3/12/01	Retired before 10/1/86 Retired before 12/1/89 - 12/31/92	
In-Network	\$224 ind/\$672 fam	\$224 ind/\$672 fam	\$125/person	\$200/person
Out-of-Network²	\$448 ind/\$1344 fam	N/A	N/A	N/A
Stop Loss				
In-Network	\$1078 ind/\$2155 fam	\$1078 ind/\$2155 fam	\$300 ind/\$600 fam	\$600 ind/\$1200 fam
Out-of-Network²	\$2155 ind/\$4310 fam	N/A	N/A	N/A
In-Patient Hospital				
In-Network	90%	90%	90%	90%
Out-of-Network²	80%	N/A	N/A	N/A
Outpatient/Surgery/X-Ray/Lab				
In-Network	100%	100%	100%	100%
Out-of-Network²	80%	N/A	N/A	N/A
Misc. Major Medical¹				
In-Network	80%	80%	80%	80%
Out-of-Network²	70%	N/A	N/A	N/A
Primary Care⁵	90%	N/A	90% ⁷	90% ⁷
Preventive (Wellness)	100% In-network only	N/A	N/A	N/A
Prescription				
Retail (Generic/Brand)	\$7/\$12	\$7/\$12	\$2/\$3*	\$4/\$7
Mail Order (Generic/Brand)	\$5/\$7	\$5/\$7	\$2/\$2*	\$2/\$2
INTRACORP	Yes	Yes	Yes	Yes
IEAP	Yes	Yes	Yes	Yes
Dental/Vision/Hearing	All ⁴	All ⁴	Vision Only ⁴	Vision Only ⁴
1. After deductible is satisfied (Misc. Major Medical = P.T.-Retiree Only, Ambulance/Base, then Maj.Med., Medical Supplies, Oxygen, Prostheses, Private Duty Nurses, Chiropractic, and Office visits).				
2. Out-of-Network discounts apply to MD's specialist and hospitals not part of Select Circle				
3. No PPO benefits or discounts apply to Medicare participants - BR 70.71, or 72				
4. Benefits same as those benefits prior to 1/1/89				
5. After deductible - Office visits for PCP paid at 90%, - PCP includes family practitioners, internists, pediatricians and OB/GYN (in-network only). - All other services (X-ray, lab, surter) in PCP office paid at 100%				
6. Deductibles/Stop-loss indexed 5% each year through 2006 for in-network.				
7. Primary Care Benefit ceases when ee becomes eligible for Medicare.				
* \$3 Brand/\$2 Generic and \$2 Mail Order applies to retirees prior to 10/1/86				
** \$4 A-brand/\$2 Generic and \$2 Mail Order applies to retirees after 10/1/86 and before 12/1/89				

2004 MUNCIE HOURLY HEALTH PLANS 72973 (Effective 1/1/2004)

	Medicare BR 70 ³	Medicare BR 71 ³	Pre-Medicare BR 67	Medicare BR 72	Pre-Medicare BR 67	Medicare BR 72	Pre-Medicare BR 67
Date of Eligibility	Retired before 10/1/86	Retired between 12/1/89 - 12/31/92	Retired after 1/1/93 ⁶	Retired after 1/1/93 ⁶	Retired after 1/1/93 ⁶	Retired after 1/1/93 ⁶	Retired after 1/1/93 ⁶
Deductible							
In-Network	\$125/person	\$200/person	\$224 ind/\$672 fam	\$224 ind/\$672 fam	\$224 ind/\$672 fam	\$224 ind/\$672 fam	\$224 ind/\$672 fam
Out-of-Network ²	N/A	N/A	\$448 ind/\$1344 fam	\$448 ind/\$1344 fam	\$448 ind/\$1344 fam	\$448 ind/\$1344 fam	N/A
Stop Loss							
In-Network	\$175 ind/\$350 fam	\$450 ind/\$900 fam	\$1078 ind/\$2155 fam	\$1078 ind/\$2155 fam	\$1078 ind/\$2155 fam	\$1078 ind/\$2155 fam	\$1078 ind/\$2155 fam
Out-of-Network ²	N/A	N/A	\$2155 ind/\$4310 fam	\$2155 ind/\$4310 fam	\$2155 ind/\$4310 fam	\$2155 ind/\$4310 fam	N/A
In-Patient Hospital							
In-Network	90%	90%	90%	90%	90%	90%	90%
Out-of-Network ²	N/A	N/A	80%	80%	80%	80%	N/A
Outpatient/Surgery/X-Ray/Lab							
In-Network	100%	100%	100%	100%	100%	100%	100%
Out-of-Network ²	N/A	N/A	80%	80%	80%	80%	N/A
Misc. Major Medical ¹							
In-Network	80%	80%	80%	80%	80%	80%	80%
Out-of-Network ²	N/A	N/A	70%	70%	70%	70%	N/A
Primary Care ⁵	N/A	N/A	90%	90%	90%	90%	90%
Preventive (Wellness)	N/A	N/A	100%	100%	100%	100%	100%
Prescription							
Retail (Generic/Brand)	\$2/\$3*	\$4/\$7	\$7/\$12	\$7/\$12	\$7/\$12	\$7/\$12	\$7/\$12
Mail Order (Generic/Brand)	\$2/\$4**	\$2/\$2	\$3/\$4	\$3/\$4	\$3/\$4	\$3/\$4	\$3/\$4
INTRACORP	N/A	N/A	Yes	Yes	Yes	Yes	Yes - Pre-Med Only
EAP	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Dental/Vision/Hearing	Vision Only*	Vision Only*	Vision Only*	Vision Only*	Vision Only*	Vision Only*	Vision Only*
1. After deductible is satisfied (Misc. Major Medical = PT-Retiree Only, Ambulance/Basic, then Maj. Med., Medical Supplies, Oxygen, Podiatrist, Private Duty Nurse, Chiropractic, and Office visits).							
2. Out-of-Network discounts apply to MD's specialist and hospitals not part of Select Circle							
3. No PPO benefits or disincentives apply to Medicare participants - BR 70, 71, or 72							
4. Benefits same as those benefits prior to 1/1/93							
5. After deductible: - Office visits for PCP paid at 90%, - PCP includes family practitioners, internists, pediatricians and OB/GYN (in-network only), - All other services (X-ray, lab, surgery) in PCP office paid at 100%							
6. Deductibles/Stop-loss indexed 5% each year through 2006 for in/out of network.							
7. Primary Care Benefit ceases when ee becomes eligible for Medicare.							
** \$3 Brand/\$2 Generic and \$2 Mail Order applies to retirees prior to 10/1/86							
*** \$4 Brand/\$2 Generic and \$2 Mail Order applies to retirees after 10/1/86 and before 12/1/89							

2002 MUNCIE HOURLY HELAHT PLANS 72973-15973 (Effective 1/1/2002)

	Active BR 001 Live In-Area ⁶ Hired before 3/12/01	Active BR 001 Live Out-of-Area ⁶ Hired before 3/12/01	Pre-Medicare BR 65 Retired before 12/1/89	Pre-Medicare BR 66 Retired after 12/1/89
Date of Eligibility				
Deductible				
In-Network	\$204 ind/\$912 fam	\$204 ind/\$912 fam	\$125/person	\$200/person
Out-of-Network ²	\$407 ind/\$1222 fam	N/A	N/A	N/A
Stop Loss				
In-Network	\$977 ind/\$1955 fam	\$977 ind/\$1955 fam	\$300 ind/\$600 fam	\$600 ind/\$1200 fam
Out-of-Network ²	\$1955 ind/\$3909 fam	N/A	N/A	N/A
In-Patient Hospital				
In-Network	90%	90%	90%	90%
Out-of-Network ²	80%	N/A	N/A	N/A
Outpatient/Surgery/X-Ray/Lab				
In-Network	100%	100%	100%	100%
Out-of-Network ²	80%	N/A	N/A	N/A
Misc. Major Medical¹				
In-Network	80%	80%	80%	80%
Out-of-Network ²	70%	N/A	N/A	N/A
Primary Care⁵	90%	N/A	90% ⁷	90% ⁷
Preventive (Wellness)	100% in-network only	N/A	N/A	N/A
Prescription				
Retail (Generic/Brand)	\$7/\$12	\$7/\$12	\$2/\$3*	\$4/\$7
Mail Order (Generic/Brand)	\$5/\$7	\$5/\$7	\$2/\$2*	\$2/\$2
INTRACORP	Yes	Yes	Yes	Yes
EAP	Yes	Yes	Yes	Yes
Dental/Vision/Hearing	All ⁴	All ⁴	Vision Only ⁴	Vision Only ⁴
1. After deductible is satisfied (Misc. Major Medical = PT-Retiree Only, Ambulance/Base, then Maj. Med., Medical Supplies, Oxygen, Podiatrist, Private Duty Nurse, Chiropractic, and Office eVisits).				
2. Out-of-Network disincentives apply to MD's specialist and hospitals out part of Select Circle				
3. No PPO benefits or disincentives apply to Medicare participants - BR 70, 71, or 72				
4. Benefits same as those benefits prior to 1/1/93				
5. After deductible: - Office visits for PCP paid at 90%, - PCP includes family practitioners, internists, pediatricians and OB/GYN (in-network only), - All other services (X-ray, lab, surgery) in PCP office paid at 100%				
6. Deductibles/Stop-loss indexed 5% each year through 2006 for in/out of network.				
7. Primary Care Benefit ceases when one becomes eligible for Medicare.				
* \$3 Brand/\$2 Generic and \$2 Mail Order applies to retirees prior to 10/1/86				
** \$4 Abandon/\$2 Generic and \$2 Mail Order applies to retirees after 10/1/86 and before 12/1/89				

2002 MUNCIE HOURLY HELAHT PLANS 72973-15973 (Effective 1/1/2002)

	Medicare BR 70 ³	Medicare BR 71 ³	Pre-Medicare BR 67	Medicare BR 72	Medicare/Pre- Medicare Live Out-of-Area
Date of Eligibility	Retired before 12/1/89	Retired after 12/1/89	Retired before 1/1/93 ⁶	Retired before 1/1/93 ⁶	Retired before 1/1/93 ⁶
Deductible					
In-Network	\$125/person	\$200/person	\$194 ind/\$582 fam	\$194 ind/\$582 fam	\$194 ind/\$582 fam
Out-of-Network ²	N/A	N/A	\$388 ind/\$1164 fam	\$388 ind/\$1164 fam	N/A
Stop Loss					
In-Network	\$175 ind/\$350 fam	\$450 ind/\$900 fam	\$931 ind/\$1862 fam	\$931 ind/\$1862 fam	\$931 ind/\$1862 fam
Out-of-Network ²	N/A	N/A	\$1862 ind/\$3724 fam	\$1862 ind/\$3724 fam	N/A
In-Patient Hospital					
In-Network	90%	90%	90%	90%	90%
Out-of-Network ²	N/A	N/A	80%	80%	N/A
Outpatient/Surgery/X-Ray/Lab					
In-Network	100%	100%	100%	100%	100%
Out-of-Network ²	N/A	N/A	80%	80%	N/A
Misc. Major Medical¹					
In-Network	80%	80%	80%	80%	80%
Out-of-Network ²	N/A	N/A	70%	70%	N/A
Primary Care⁵	N/A	N/A	90%	90%	90%
Preventive (Wellness)	N/A	N/A	100%	100%	100%
Prescription					
Retail (Generic/Brand)	\$2/\$4**	\$4/\$7	\$7/\$12	\$7/\$12	\$7/\$12
Mail Order (Generic/Brand)	\$2/\$2**	\$2/\$2	\$3/\$4	\$3/\$4	\$3/\$4
INTRACORP	N/A	N/A	Yes	N/A	Yes - Pre-Med Only
EAP	Yes	Yes	Yes	Yes	Yes
Dental/Vision/Hearing	Vision Only ⁴	Vision Only ⁴	Vision Only ⁴	Vision Only ⁴	Vision Only ⁴
1. After deductible is satisfied (Misc. Major Med ¹). After deductible is satisfied (Misc. Major Medical = PT-Retiree Only, Ambulance/Base, then Maj. Med., Medical Supplies, Oxygen, Duty Nurse, Chiropractic, and Office e/Visits. 2. Out-of-Network discounts apply to MD's special ² . Out-of-Network discounts apply to MD's specialist and hospitals out of part of Select Circle 3. No PPO benefits or discounts apply to Medical 3. No PPO benefits or discounts apply to Medicare participants - BR 70.71, or 72 4. Benefits same as those benefits prior to 1/1/93 5. After deductible - Office visits for PCP paid at 90%. - PCP includes family practitioners, internists, pediatrics and OB/GYN (in-network only). - All other services (X-ray, lab, surfer) in PCP office paid at 100% 6. Deductibles/Stop-loss indexed 5% each year through 2006 for in/out of network. 7. Primary Care Benefit ceases when ee becomes e/7. Primary Care Benefit ceases when ee becomes eligible for Medicare. * \$3 Brand/\$2 Generic and \$2 Mail Order applies to * \$3 Brand/\$2 Generic and \$2 Mail Order applies to retirees prior to 10/1/86 ** \$4 Brand/\$2 Generic and \$2 Mail Order applies to retirees after 10/1/86 and before 12/1/89					